

DETERMINING CROPS ECONOMIC EFFICIENCY USING CROP BUDGETS FOR THE NORTH-EAST REGION OF ROMANIA

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Abstract

The paper aims to highlight the necessity of using the crop budget as a comprehensive tool in determining the crop related expenditure - stage that precedes economic efficiency calculation. The drawn up form comprises two interconnected elements that communicate through associated formulas. We designed a table with specific data based on recommendations from the economic literature that reflects the entire production process in agriculture, results being used to determine the crop economic efficiency items represented also as tabular form. The tables made in Microsoft Excel can be used for any crop, with characteristic changes related to technology, any value change in the crop budget resulting in changes for the economic efficiency sheet. Thus it can be viewed and recorded immediately the economic effects of production variation with one or more units. There are taken into account the expenses regarding mechanical and/or manual operations and materials used as well as the income from primary and secondary production, highlighting the main economic indicators associated. In calculating the efficiency there were taken into consideration also the subsidies - elements with significant weight in the structure of total revenue for a particular crop, related to the specific conditions of the North-East region of Romania. The form can be used in agricultural management as a tool for analysis of the various technological options applicable for the same crop in order to ensure the highest level of economic efficiency and establishing the level of production necessary to achieve a minimum outcome aimed under the specific circumstances.

Key words: crop budget, economic efficiency, total expenses, production cost, net profit